

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.<sup>1</sup>

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO ELECTRIC POWER AUTHORITY,

Debtor.

PROMESA

Title III

No. 17-BK-3283-LTS

(Jointly Administered)

PROMESA

Title III

No. 17-BK-4780-LTS

(Jointly Administered)

**URGENT MOTION OF THE FINANCIAL OVERSIGHT  
AND MANAGEMENT BOARD FOR PUERTO RICO REQUESTING  
EXTENSION OF FILING DEADLINE TO DECEMBER 13, 2022 FOR  
SUBMISSION OF PREPA PLAN OF ADJUSTMENT, DISCLOSURE  
STATEMENT, & RELATED MOTIONS**

<sup>1</sup> The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17- BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19- BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

To the Honorable United States District Court Judge Laura Taylor Swain:

The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as sole Title III representative of the Puerto Rico Electric Power Authority (“PREPA” or the “Debtor”), pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),<sup>2</sup> respectfully submits this urgent motion for entry of an order, substantially in the form attached hereto as Exhibit A (the “Proposed Order”), extending the deadline set forth in the *Order (A) Granting in Part and Denying in Part Urgent Motion of Financial Oversight and Management for Board for Order (I) Establishing Schedule to Continue Negotiations During Litigation of Gating Issues Pursuant to Litigation Schedule and (II) Granting Related Relief and (B) Staying Certain Motions Filed by PREPA Bondholders* [Case No. 17-4780, ECF No. 3013]<sup>3</sup> (the “Scheduling Order”), as subsequently extended by one week [ECF No. 3092], with respect to the submission of a proposed plan of adjustment for PREPA, corresponding disclosure statement, and related motions and documentation (collectively, the “PREPA Plan & Related Documents”) from December 8, 2022 (the “Filing Deadline”) to December 13, 2022 at 6pm EST.

### **Urgent Motion**

1. The Oversight Board is ready and willing to file the PREPA Plan & Related Documents, and has been prepared to do so by the initial Filing Deadline of December 1, 2022. After conversations with the Mediation Team, however, the Oversight Board believes a five day extension of the Filing Deadline could facilitate the ongoing mediation with other creditor constituencies.

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<sup>2</sup> PROMESA is codified at 48 U.S.C. §§ 2101-2241.

<sup>3</sup> Unless otherwise stated, all ECF Nos. shall refer to the docket in Case No. 17-4780.

2. During mediation, the Oversight Board has made meaningful progress, including entering into a plan support agreement with the Fuel Line Lenders,<sup>4</sup> owners of over \$700 million in unsecured claims with an asserted seniority over the Bonds. The agreement provides an additional impaired accepting class for the Plan, further clears the path for confirmation of a plan of adjustment, and could generate considerable momentum amongst other mediation parties to reach agreements to support a plan of adjustment for PREPA. The current negotiation process should, therefore, be given more opportunity to succeed if it can continue to lead to progress towards a consensual deal with additional creditors.

3. Accordingly, the Oversight Board respectfully requests a five day extension of the Filing Deadline to December 13, 2022 at 6pm EST, with a confirmation hearing to be targeted for July. All other deadlines should remain in place, including the deadlines associated with the *The Financial Oversight and Management Board for Puerto Rico v. U.S. Bank Nat'l Ass'n*, Adv. Proc. No. 19-00391 (D.P.R. July 1, 2019).

4. The Oversight Board is authorized to represent the Mediation Team and Ad Hoc Group do not object to the extension sought in the motion. National supports the extension.

#### **Case Management Procedures**

5. Pursuant to Paragraph III.W of the *Sixteenth Amended Notice, Case Management and Administrative Procedures* [ECF No. 20190] (the “Case Management Procedures”), under the discretion provided to the Court by Bankruptcy Rule 9006(b), and to forestall the need for a bridge

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<sup>4</sup> “Fuel Line Lenders” shall refer to all holders of claims arising under (i) the Credit Agreement dated May 4, 2012, by and among PREPA, Scotiabank de Puerto Rico, and certain lenders, and (ii) the Trade Finance Facility Agreement, dated July 20, 2012, by and between PREPA and Citibank, N.A., as memorialized in proofs of claim numbers 44342, 44358, 44378, 44388, 45816, 44378, 45816 filed against PREPA in this Title III Case.

order, the filing of this motion to extend automatically extends the Filing Deadline until the Court acts on the motion, without the necessity for the entry of a bridge order.

6. Pursuant to Paragraph 1.H of the Case Management Procedures, the Oversight Board certifies it has carefully examined the matter and concluded there is a true need for an urgent motion; it has not created the urgency through any lack of due diligence, and has made reasonable, good-faith communications in an effort to resolve or narrow the issues being brought to the Court.

### **Notice**

7. Notice of this Motion will be provided by facsimile, electronic mail transmission, regular mail and/or hand delivery to the following parties: (a) the Office of the United States Trustee for the District of Puerto Rico; (b) the indenture trustees and/or agents, as applicable, for bonds issued by PREPA; (c) counsel for the Ad Hoc Group of PREPA Bondholders;<sup>5</sup> (d) counsel for Assured Guaranty Corp. and Assured Guaranty Municipal Corp.; (e) counsel for National Public Finance Guarantee Corp.; (f) counsel for Syncora Guarantee Corp.; (g) counsel for Unión de Trabajadores de la Industria Eléctrica y Riego, Inc.,; (h) counsel for Sistema de Retiro de Empleados de la Autoridad de Energía Eléctrica; (i) the entities on the list of creditors holding the 20 largest unsecured claims against PREPA; (j) the statutory committees appointed in any of the Title III cases; (k) the Office of the United States Attorney for the District of Puerto Rico; (l) counsel to AAFAF; (m) the Puerto Rico Department of Justice; (n) the United States Securities and Exchange Commission; (o) all parties filing a notice of appearance in this Title III case. The Debtor submits that, in light of the nature of the relief requested, no other or further notice need be given.

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<sup>5</sup> As of April 20, 2022, the Ad Hoc Group of PREPA Bondholders comprised (i) BlackRock Financial Management, Inc., (ii) Franklin Advisers, Inc., (iii) GoldenTree Asset Management, L.P., (iv) Invesco Advisers, Inc., (v) Nuveen Asset Management, LLC, (vi) Taconic Capital Advisors, L.P., and (vii) Whitebox Advisors, LLC. See ECF No. 2782.

[*Remainder of Page Left Intentionally Blank*]

**WHEREFORE** the Debtor respectfully requests entry of the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and granting such other relief as is just and proper.

Dated: December 8, 2022  
San Juan, Puerto Rico

Respectfully submitted,

/s/ Martin J. Bienenstock  
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*Co-Attorney for the Financial Oversight and  
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PREPA*

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**Exhibit A**

**Proposed Order**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

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PROMESA

Title III

No. 17-BK-3283-LTS

(Jointly Administered)

PROMESA

Title III

No. 17-BK-4780-LTS

(Jointly Administered)

**RE: ECF No. 3013**

**[PROPOSED] ORDER GRANTING URGENT  
MOTION OF THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO  
REQUESTING EXTENSION OF FILING DEADLINE TO  
DECEMBER 13, 2022 FOR SUBMISSION OF PREPA PLAN  
OF ADJUSTMENT, DISCLOSURE STATEMENT, & RELATED MOTIONS**

<sup>1</sup> The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17- BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19- BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Upon the *Urgent Motion of the Financial Oversight and Management Board for Puerto Rico Requesting Extension of Filing Deadline to December 13, 2022 for Submission of PREPA Plan of Adjustment, Disclosure Statement, & Related Motions* [Case No. 17-3283, Docket Entry No. \_\_\_\_; Case No. 17-4780, Docket Entry No. \_\_\_\_] (the “Extension Motion”);<sup>2</sup> and the Court having found that the relief requested in the Extension Motion is in the best interests of the Debtor; and the Court having found that the Debtor provided adequate and appropriate notice of the Extension Motion under the circumstances and that no other or further notice is required; and the Court having reviewed the Extension Motion; and the Court having determined that the factual bases set forth in the Extension Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT:**

1. The requested relief in the Extension Motion is granted as set forth herein.
2. The December 8, 2022 deadline set forth in the Scheduling Order for the Oversight Board to file a proposed plan of adjustment for PREPA, corresponding disclosure statement, and related motions is extended to December 13, 2022 at 6pm EST.
3. The proposed confirmation schedule shall contemplate a confirmation hearing in July 2023.
4. This Order resolves Docket Entry No. \_\_\_\_\_ in Case No. 17-3283 and Docket Entry No. \_\_\_\_\_ in Case No. 17-4780.

Dated: \_\_\_\_\_, 2022  
San Juan, Puerto Rico

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Laura Taylor Swain  
United States District Court Judge

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<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings given to them in the Extension Motion.